

PLUMAS COUNTY ECONOMIC FORECAST

The Plumas County economy is growing slowly. In 2017 it generated only 10 new jobs, representing a growth rate of 0.2 percent. By contrast, the statewide economy created jobs at a rate of 2.0 percent.

The Plumas County economy is highly concentrated in a small number of industries. Its largest sector is government, which employs 2,500 workers and accounts for almost 40 percent of the job market. Government agencies reduced their headcounts by dozens of employees in 2017, contributing to the county's sluggish economic performance.

The county's additional primary sectors are healthcare and leisure services. Combined, these industries accommodate more than 1,400 jobs, but these sectors are also declining.

In 2017 the only industries to create new jobs were agriculture, transportation, retail, and professional services. But growth in these parts of the labor market was minimal.

The unemployment rate improved substantially last year, falling from 9.8 percent in 2016 to 9.0 percent in 2017. But it is still much higher than most parts of California. This is largely due to the county's prominent share of public school workers (part of the government sector), who are often unemployed during the summer months. Because of this dynamic, the Plumas County unemployment rate is already approaching its lowest sustainable level. By 2019 or 2020, it should reach its lowest sustainable level, at which point it will struggle to improve further.

Plumas County's population has been declining for most of the last decade. Net migration has been negative, with more people moving out of the county than moving in. At the same time there have been more deaths than births in the county, causing the population to shrink.

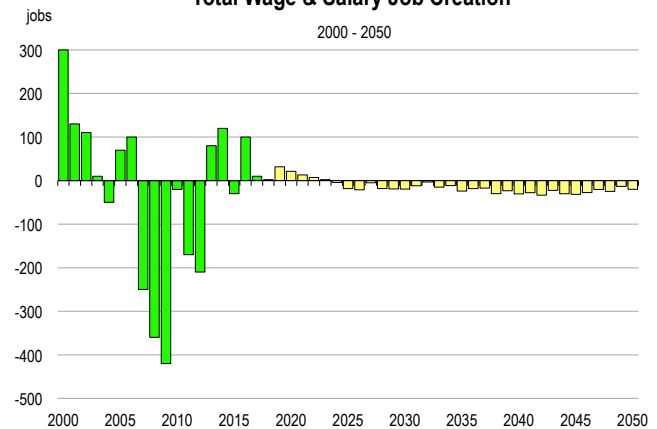
Due to a slowly-growing economy and a shrinking population, homebuilding activity has been very low. Between 2012 and 2017, an average of only 35 homes were built each year. The same is true for commercial and industrial construction. Over the last five years, only \$1.8 million has been invested into non-residential structures annually, with the majority going to renovations of existing buildings.

Population decline is expected to continue in Plumas County, placing the economy at risk of long-term stagnation. Stagnant economies are often characterized by subpar job creation, slow income growth, and insufficient public revenues, preventing living conditions from improving and making it difficult for local governments to provide adequate public services.

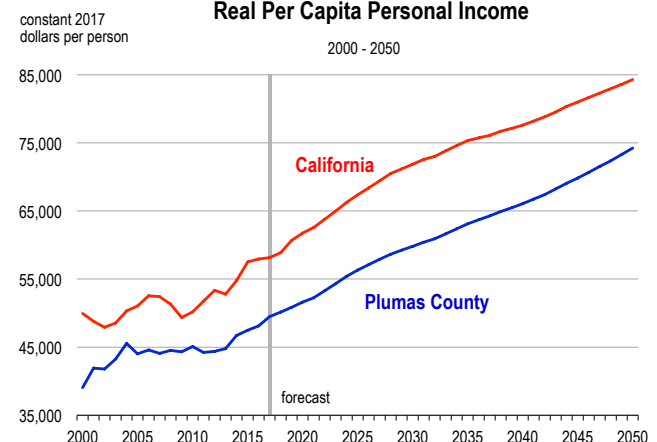
FORECAST HIGHLIGHTS

- No job growth is expected in 2018. Between 2018 and 2023, the annual growth rate will average 0.2 percent.

Total Wage & Salary Job Creation



Real Per Capita Personal Income

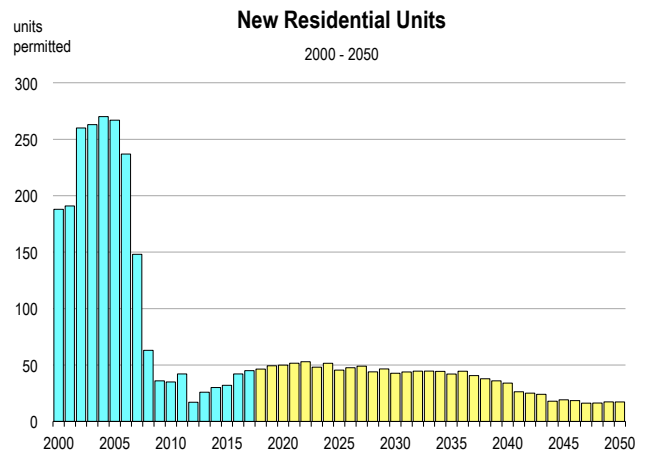
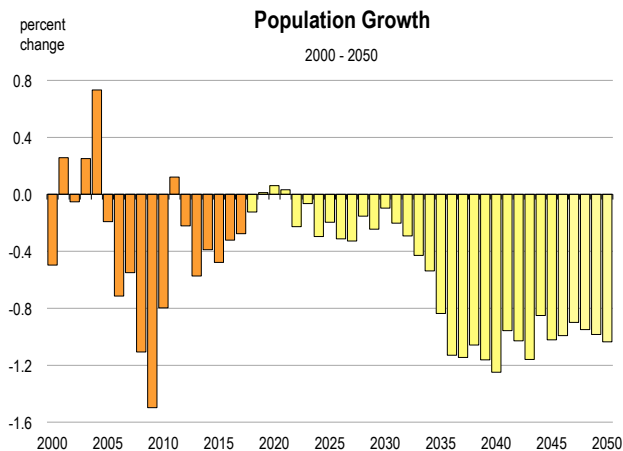


- Between 2018 and 2023, job creation will be concentrated in government and leisure services. Declines are anticipated in manufacturing and wholesale trade.
- Average salaries are below the California average, and will remain so over the foreseeable future. In Plumas County, inflation-adjusted salaries are expected to rise by 1.1 percent per year from 2018 to 2023, which will be slower than statewide growth.
- An average of 50 new homes will be built each year between 2018 and 2023. Virtually all of these will be single-family homes, and very few will be apartments.
- The population is expected to decline slightly by 2023. An average of 55 net migrants will enter the county each year, but deaths will outnumber births by 60 each year.

Plumas County Economic Forecast

2010-2017 History, 2018-2050 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	19,903	-116	34.0	9.0	35	\$178.8	\$0.77	\$45,083	1.3	23.2	189.7	18.4
2011	19,927	79	33.1	9.0	42	\$195.4	\$0.78	\$44,237	2.7	27.9	185.6	17.7
2012	19,883	0	32.0	8.8	17	\$196.9	\$0.80	\$44,386	2.7	30.0	186.7	16.2
2013	19,769	0	32.3	8.6	26	\$202.3	\$0.81	\$44,783	2.3	31.7	201.9	13.9
2014	19,692	0	32.3	8.6	30	\$198.1	\$0.86	\$46,726	2.8	35.2	191.9	11.6
2015	19,598	0	32.5	8.5	32	\$207.2	\$0.88	\$47,484	2.6	30.7	181.6	10.4
2016	19,535	0	33.3	8.5	42	\$220.8	\$0.91	\$48,128	3.1	31.5	188.7	9.8
2017	19,481	0	32.7	8.5	45	\$253.2	\$0.96	\$49,497	3.2	31.5	188.5	9.0
2018	19,457	32	32.7	8.5	46	\$251.9	\$1.01	\$50,153	3.7	31.8	199.3	8.1
2019	19,459	61	32.7	8.6	49	\$258.1	\$1.05	\$50,859	3.1	32.0	196.5	7.7
2020	19,471	72	32.6	8.6	50	\$266.7	\$1.10	\$51,601	4.1	32.2	196.4	8.1
2021	19,477	69	32.6	8.6	52	\$275.6	\$1.15	\$52,263	3.6	32.3	199.1	8.3
2022	19,433	22	32.4	8.6	53	\$283.3	\$1.20	\$53,292	3.5	32.4	200.7	8.4
2023	19,420	56	32.3	8.6	48	\$289.6	\$1.25	\$54,323	3.4	32.6	203.1	8.7
2024	19,363	15	32.1	8.7	52	\$297.8	\$1.30	\$55,415	3.3	32.6	205.0	8.8
2025	19,325	37	31.9	8.7	45	\$302.9	\$1.35	\$56,330	3.1	32.7	206.5	9.0
2026	19,264	18	31.6	8.7	48	\$310.5	\$1.40	\$57,099	3.1	32.8	208.4	9.3
2027	19,201	19	31.4	8.7	49	\$317.5	\$1.45	\$57,915	3.0	32.9	210.4	9.4
2028	19,172	54	31.2	8.7	44	\$323.0	\$1.49	\$58,647	3.3	33.0	212.3	9.5
2029	19,125	39	31.0	8.8	47	\$331.6	\$1.54	\$59,256	3.1	33.1	213.8	9.5
2030	19,106	69	30.9	8.8	43	\$337.9	\$1.59	\$59,801	3.0	33.2	215.4	9.6
2031	19,068	51	30.8	8.8	44	\$345.8	\$1.63	\$60,406	2.9	33.2	217.0	9.6
2032	19,012	37	30.8	8.8	45	\$354.4	\$1.68	\$60,924	3.1	33.3	218.6	9.6
2033	18,931	14	30.7	8.8	45	\$361.3	\$1.73	\$61,658	2.7	33.4	219.8	9.6
2034	18,829	-3	30.7	8.9	44	\$368.7	\$1.77	\$62,374	2.9	33.5	220.9	9.6
2035	18,671	-54	30.6	8.9	42	\$375.3	\$1.82	\$63,095	3.0	33.6	221.9	9.5
2036	18,460	-101	30.5	8.9	44	\$385.2	\$1.86	\$63,706	3.4	33.7	222.4	9.4
2037	18,249	-97	30.3	8.9	41	\$392.4	\$1.91	\$64,281	3.5	33.8	223.1	9.4
2038	18,056	-75	30.2	8.9	38	\$399.5	\$1.95	\$64,896	3.3	33.9	223.7	9.4
2039	17,846	-88	30.0	8.9	36	\$407.4	\$2.00	\$65,475	3.5	34.0	224.3	9.4
2040	17,623	-92	29.8	9.0	34	\$414.9	\$2.04	\$66,085	3.4	34.1	224.9	9.4
2041	17,454	-36	29.7	9.0	26	\$418.8	\$2.09	\$66,727	3.2	34.2	225.5	9.5
2042	17,275	-45	29.5	9.0	25	\$425.5	\$2.14	\$67,422	3.1	34.3	226.1	9.4
2043	17,074	-62	29.4	9.0	24	\$431.6	\$2.19	\$68,243	3.0	34.4	226.6	9.4
2044	16,929	-11	29.2	9.0	18	\$435.0	\$2.24	\$69,074	2.8	34.5	227.4	9.5
2045	16,756	-41	29.1	9.0	19	\$442.9	\$2.29	\$69,853	3.0	34.6	228.2	9.4
2046	16,590	-41	28.9	9.0	18	\$449.5	\$2.35	\$70,688	2.9	34.8	229.1	9.4
2047	16,441	-24	28.8	9.0	16	\$455.5	\$2.40	\$71,525	2.9	34.9	230.1	9.5
2048	16,285	-32	28.6	9.0	16	\$462.8	\$2.46	\$72,381	2.9	35.0	231.1	9.5
2049	16,124	-36	28.5	9.0	17	\$470.7	\$2.52	\$73,308	2.9	35.1	232.2	9.5
2050	15,957	-52	28.4	9.0	17	\$478.0	\$2.58	\$74,247	2.9	35.3	233.5	9.4

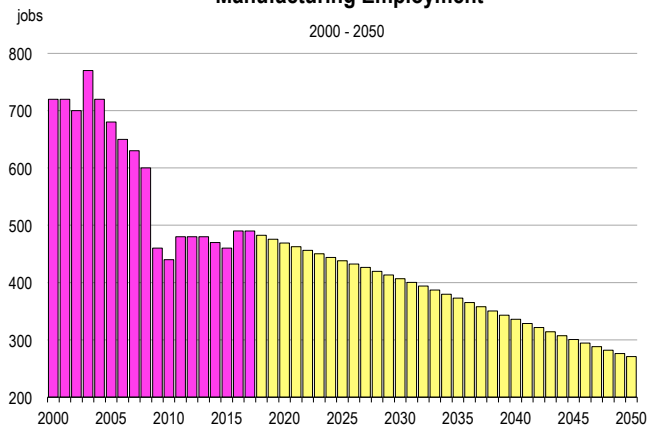


Plumas County Employment Forecast

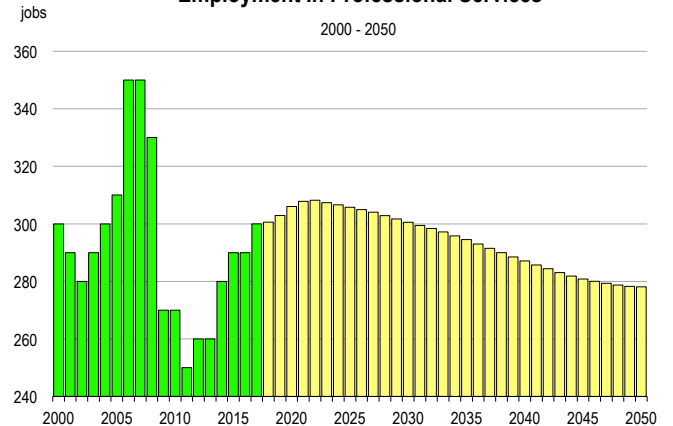
2010-2017 History, 2018-2050 Forecast

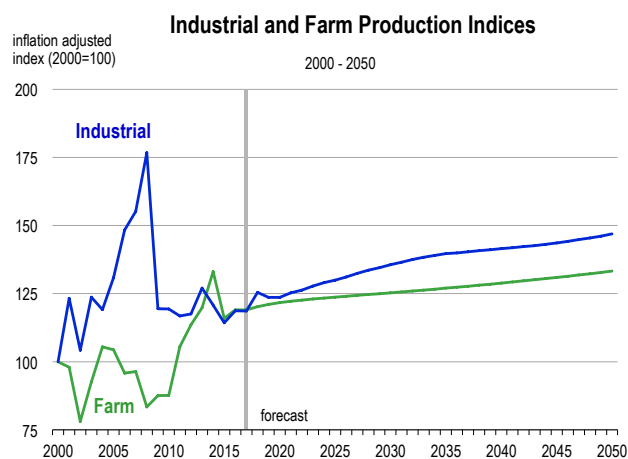
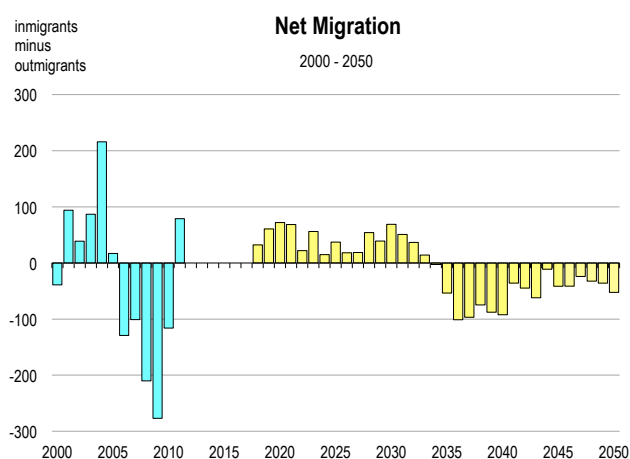
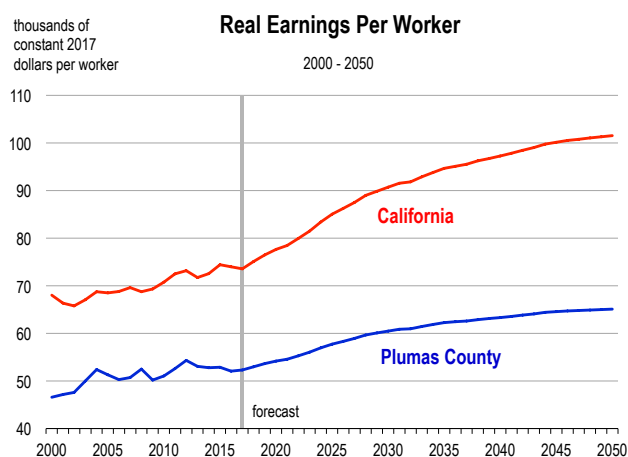
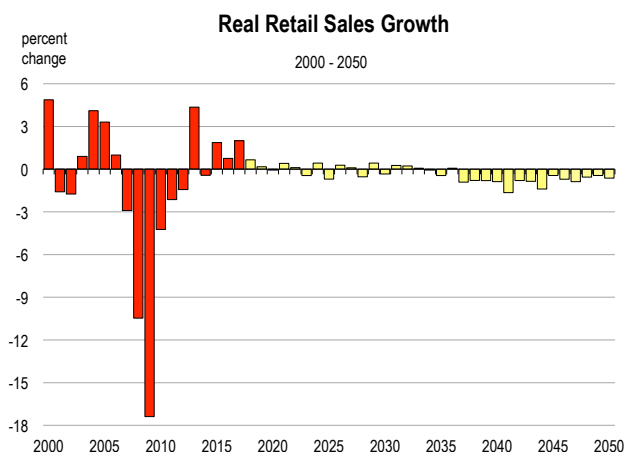
	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2010	6.56	0.05	0.27	0.44	0.29	0.63	0.21	0.27	0.07	0.62	0.78	2.75
2011	6.39	0.06	0.27	0.48	0.26	0.59	0.20	0.25	0.06	0.60	0.71	2.73
2012	6.18	0.04	0.31	0.48	0.29	0.58	0.18	0.26	0.06	0.62	0.71	2.49
2013	6.26	0.03	0.29	0.48	0.32	0.59	0.18	0.26	0.06	0.75	0.72	2.40
2014	6.38	0.03	0.30	0.47	0.31	0.58	0.18	0.28	0.06	0.78	0.74	2.47
2015	6.35	0.03	0.32	0.46	0.30	0.60	0.17	0.29	0.06	0.66	0.77	2.51
2016	6.45	0.03	0.31	0.49	0.29	0.62	0.17	0.29	0.06	0.62	0.83	2.53
2017	6.46	0.04	0.31	0.49	0.30	0.63	0.17	0.30	0.06	0.61	0.81	2.50
2018	6.46	0.04	0.31	0.48	0.31	0.62	0.17	0.30	0.06	0.61	0.83	2.50
2019	6.49	0.03	0.32	0.48	0.32	0.62	0.17	0.30	0.06	0.61	0.84	2.51
2020	6.51	0.03	0.32	0.47	0.32	0.62	0.17	0.31	0.06	0.61	0.85	2.53
2021	6.53	0.03	0.32	0.46	0.32	0.62	0.17	0.31	0.06	0.62	0.85	2.54
2022	6.53	0.03	0.33	0.46	0.32	0.62	0.17	0.31	0.06	0.62	0.85	2.55
2023	6.54	0.03	0.32	0.45	0.31	0.61	0.18	0.31	0.06	0.62	0.86	2.56
2024	6.53	0.03	0.32	0.44	0.31	0.61	0.18	0.31	0.06	0.62	0.86	2.56
2025	6.51	0.03	0.32	0.44	0.31	0.61	0.18	0.31	0.06	0.62	0.86	2.55
2026	6.49	0.03	0.32	0.43	0.31	0.61	0.18	0.30	0.06	0.62	0.86	2.54
2027	6.49	0.03	0.32	0.43	0.31	0.61	0.18	0.30	0.06	0.62	0.86	2.54
2028	6.47	0.03	0.32	0.42	0.31	0.60	0.18	0.30	0.06	0.62	0.86	2.54
2029	6.45	0.03	0.32	0.41	0.30	0.61	0.18	0.30	0.06	0.62	0.86	2.53
2030	6.43	0.03	0.32	0.41	0.30	0.60	0.18	0.30	0.06	0.62	0.86	2.52
2031	6.42	0.03	0.32	0.40	0.30	0.60	0.18	0.30	0.06	0.62	0.87	2.52
2032	6.41	0.03	0.32	0.39	0.30	0.60	0.18	0.30	0.06	0.62	0.87	2.52
2033	6.40	0.03	0.32	0.39	0.30	0.60	0.18	0.30	0.06	0.62	0.87	2.52
2034	6.39	0.03	0.32	0.38	0.29	0.60	0.18	0.30	0.06	0.62	0.87	2.52
2035	6.36	0.03	0.32	0.37	0.29	0.60	0.18	0.29	0.06	0.62	0.87	2.51
2036	6.35	0.03	0.31	0.37	0.29	0.60	0.18	0.29	0.06	0.62	0.87	2.51
2037	6.33	0.03	0.31	0.36	0.28	0.59	0.18	0.29	0.06	0.62	0.87	2.51
2038	6.30	0.03	0.31	0.35	0.28	0.59	0.18	0.29	0.06	0.61	0.87	2.51
2039	6.27	0.03	0.31	0.34	0.28	0.58	0.18	0.29	0.06	0.61	0.87	2.51
2040	6.24	0.03	0.30	0.34	0.27	0.58	0.17	0.29	0.06	0.61	0.87	2.50
2041	6.22	0.03	0.30	0.33	0.27	0.57	0.17	0.29	0.06	0.61	0.88	2.50
2042	6.18	0.03	0.29	0.32	0.27	0.57	0.17	0.28	0.06	0.61	0.88	2.49
2043	6.16	0.03	0.29	0.31	0.26	0.57	0.17	0.28	0.06	0.60	0.88	2.49
2044	6.13	0.03	0.28	0.31	0.26	0.56	0.17	0.28	0.05	0.60	0.88	2.49
2045	6.10	0.03	0.28	0.30	0.26	0.56	0.17	0.28	0.05	0.60	0.88	2.48
2046	6.07	0.03	0.28	0.29	0.25	0.56	0.17	0.28	0.05	0.60	0.88	2.46
2047	6.05	0.03	0.28	0.29	0.25	0.55	0.17	0.28	0.05	0.60	0.88	2.46
2048	6.03	0.03	0.27	0.28	0.25	0.55	0.17	0.28	0.05	0.60	0.88	2.45
2049	6.01	0.03	0.28	0.28	0.24	0.55	0.17	0.28	0.05	0.60	0.88	2.45
2050	5.99	0.03	0.28	0.27	0.24	0.54	0.16	0.28	0.05	0.59	0.88	2.44

Manufacturing Employment



Employment in Professional Services





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	0.2%
Expected job growth:	1.2%
Fastest growing jobs sector:	Construction
Expected personal income growth:	8.1%

Expected population growth:	-0.2%
Net migration to account for:	N/A
Expected growth in number of vehicles:	-1.4%

Demographics (2018)

Unemployment rate (April 2018):	9.0%
County rank* in California (58 counties):	55th
Working age (16-64) population:	58.1%

Population with B.A. degree or higher:	22.0%
Median home selling price (2017):	\$245,000
Median household income:	\$51,279

Quality of Life

Violent crime rate (2016):	563 per 100,000 persons
County rank* in California (58 counties):	48th
Average commute time to work (2018):	25 minutes

Annualized high school drop out rate (2017):	6.8%
Households at/below poverty line (2018):	8.1%

* The county ranked 1st corresponds to the lowest rate in California